

## TARIFF ACTION MEMO

**Date:** December 27, 2022

**Date Filed:** November 15, 2022

**Statutory End Date:** December 30, 2022

**File No:** TA182-341

**Name of Utility:** Gold Country Energy (GCE)

**Subject:** Quarterly Cost of Power Adjustment (COPA), Power Cost Equalization (PCE), Small Facility Power Purchase Rate (SFPPR) Update

### **Recommendations**

Staff recommends the Commission:

1. Approve Tariff Sheet Nos. 62, 67, and 68, filed November 15, 2022, by GCE with TA182-341, as shown on the side-by-side tariff sheets (Appendix 1). The effective date of the tariff sheets should be December 30, 2022.
2. Require GCE to file its Fiscal Year (FY) 2021 Annual Operations Report (AOR) by March 31, 2023.
3. Remind GCE that its FY2022 AOR is due March 31, 2023.
4. Notify GCE that failure to file its AOR may result in suspension of the utility's PCE disbursements.

Please see attached Staff Memorandum supporting the above recommendations.

Signed: Christina Thibodeaux  
Christina Thibodeaux

Title: Utility Tariff Analyst

Commission decision regarding these recommendations:

	<u>Date (if different from 12/27/22)</u>	<u>I Concur</u>	<u>I Do Not Concur</u>	<u>I Will Write A Dissenting Statement*</u>
Kurber		<u>KKT</u>		
Doyle		<u>RMP</u> BP for RAD		
Pickett		<u>RMP</u> BP		
Sullivan		<u>DS</u>		
Wilson		<u>JWW</u> JWW		

\* If this column is initialed, Staff will contact the Commissioner for the statement; otherwise, the dissent will simply be noted at the close of the By Direction letter or order.

## MEMORANDUM

To: Keith Kurber II, Chairman  
Robert A. Doyle  
Robert M. Pickett  
Daniel A. Sullivan  
Janis W. Wilson

Date: December 27, 2022

From: Christina Thibodeaux, Utility Tariff Analyst

Subject: COPA, PCE, and SFPPR Update

### Recommendations

Staff recommends the Commission:

1. Approve Tariff Sheet Nos. 62, 67, and 68, filed November 15, 2022, by GCE with TA182-341, as shown on the side-by-side tariff sheets (Appendix 1). The effective date of the tariff sheets should be December 30, 2022.
2. Require GCE to file its Fiscal Year (FY) 2021 Annual Operations Report (AOR) by March 31, 2023.
3. Remind GCE that its FY2022 AOR is due March 31, 2023.
4. Notify GCE that failure to file its AOR may result in suspension of the utility's PCE disbursements.

### Background

GCE's electric load requirement is met with diesel generation and the related fuel cost are recovered through its COPA.<sup>1</sup>

### Filing

GCE now submits TA182-341, its quarterly COPA, PCE, and SFPPR update for the period beginning October 1, 2022. With TA182-341, GCE filed Tariff Sheet Nos. 62, 67, and 68.

Proposed revisions to COPA surcharges are reviewed under 3 AAC 52.504, which requires information supporting entries in the balancing account for the historical period, and support for projections for the future period.<sup>2</sup>

Calculation of the COPA surcharge consists of two parts. The first part includes a 3-month estimate of kWh sales and fuel and power costs.<sup>3</sup> GCE submitted supporting documentation for the estimates for the 3-month period of October through December

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<sup>1</sup> Using GCE's approved methodology as established in Order No. U-10-065(3) *Order Approving Transfer with Conditions, Requiring Filings, Approving Tariff Adoption Notice, and Closing Docket*. GCE's base cost of power is set at \$0.1387 recovered through GCE's base energy rates. GCE's COPA surcharge recovers the remaining power costs not included in base energy rates.

<sup>2</sup> 3 AAC 52.504(g); this support includes invoices, records, reports, calculations, contracts, and any other information the Commission and Staff consider necessary to explain the proposed COPA calculation.

<sup>3</sup> See Side by Side Tariff Sheet No. 67, at line 1, attached as Appendix 1. GCE's 3-month projections are developed using actual data from the previous year.

2022. The second part includes documentation for the actual balancing account entries for July through September 2022, and the balancing account balance as of September 30, 2022. GCE provided actual usage, generation, cost, and sales data for the period, including invoices and spreadsheets supporting the balancing account entries.

### Notice

In accordance with historic Commission practice, a public notice was not issued for TA182-341.<sup>4</sup>

### Analysis/Discussion

#### COPA Surcharge Decrease

With TA182-341, GCE proposes a COPA surcharge of \$0.4718/kWh, a decrease from the currently approved COPA surcharge of \$0.6042/kWh. Table 1 illustrates the effect of the proposed surcharges on an average residential customer billing for 500 kWh.

**TABLE 1**

Sample Residential Customer Billing - 500 kWh Usage					
<u>Line</u>	<u>Description</u>	<u>Current Rates</u>	<u>Proposed Rates</u>	<u>Change</u>	-
1	COPA Surcharge (\$/kWh)	\$ 0.6042	\$ 0.4718	(0.1324)	
2	PCE Credit (\$/kWh)	0.7640	0.6294	(0.1346)	
	<b>500 KWH CUSTOMER BILL</b>				
3	Energy Charge @ \$0.5089/kWh	\$ 254.45	\$ 254.45	\$ -	
4	COPA Surcharge (\$)	302.10	235.90	(66.20)	
5	PCE Credit (\$)	(382.00)	(314.70)	(67.30)	
6	RCC @ \$0.000893	0.45	0.45	-	
7	<b>TOTAL 500 KWH CUSTOMER BILL</b>	<u>\$ 175.00</u>	<u>\$ 176.10</u>	\$ (1.10)	

Factors that may affect the calculation of GCE's COPA surcharge include the previous period's balancing account balance, generation efficiency, and projected fuel and power costs. Changes in these factors frequently offset each other. Any factor that increases the average cost per kWh sold will put upward pressure on the COPA surcharge and any factor that decreases the average cost per kWh sold will put downward pressure on the surcharge. The proposed decrease to GCE's COPA surcharge is primarily driven by:

<sup>4</sup> One reason the Commission forgoes publication notice for COPA filings is 3 AAC 52.504(d) which states "[f]or a COPA filing under (b) of this section, an electric utility is not required to give public notice under AS 42.05.411..." This allows a utility to implement a COPA upon filing, rather than waiting the 45 days specified in AS 42.05.411 to ensure adequate notice to the public of a tariff revision.

1. A decrease in projected fuel costs for the quarter. The projected cost of fuel decreased from \$60,577.66 to \$42,093.03.<sup>5</sup> The quantity of fuel decreased from 11,759 gallons to 9,673 gallons and the cost per gallon decreased from \$5.1516 per gallon to \$4.3516 per gallon.<sup>6</sup> The overall effect is a decrease in fuel costs, which places downward pressure on the COPA surcharge.
2. A decrease to the balancing account balance. The balancing account balance decreased from \$9,270.57 to \$6,453.68.<sup>7</sup> This indicates that more revenue was collected via the COPA surcharge than costs were incurred. This decrease in the balancing account balance places downward pressure on the COPA surcharge.
3. A decrease in projected kWh sales for the quarter. The projected kWh sales decreased from 94,018 kWh to 79,525 kWh.<sup>8</sup> The decrease in the projected sales results in the projected costs being spread over a smaller number of kWh,<sup>9</sup> placing upward pressure on the COPA surcharge.

The decrease in projected kWh sales places upward pressure on the COPA surcharge; this is offset by the downward pressure from the decrease in projected fuel costs and the balancing account balance. The overall effect is a decrease in GCE's COPA surcharge.

The revisions proposed in TA182-341 did not include a change in methodology or new cost elements. As such, GCE could have implemented the proposed COPA surcharge upon filing, under 3 AAC 52.504(b).<sup>10</sup> However, GCE has preferred that its PCE level change take effect concurrently with its COPA surcharge and elects to wait to implement the proposed COPA surcharge until Commission approval is received. Staff has reviewed all information and calculations filed in support of the proposed surcharge and verified that GCE provided all required information. Staff confirmed that the proposed COPA surcharge was calculated accurately, using GCE's approved methodology.

### SFPPR Decrease

The SFPPR is the rate at which GCE purchases energy from Qualifying Facilities with a design capacity of 100/kWh or less. The SFPPR, expressed in cents-per-kWh, is calculated as the sum of projected fuel costs, variable operations and maintenance expenses, and the energy portion of purchased power expenses, divided by the number

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<sup>5</sup> See Side-by-Side Tariff Sheet No. 67, attached as Appendix 1, at line 1.

<sup>6</sup> *Ibid.*

<sup>7</sup> *Id.*, at line 2.

<sup>8</sup> *Id.*, at line 4.

<sup>9</sup> *Id.*, at line 4.

<sup>10</sup> 3 AAC 52.504(b) states that an electric utility may implement a COPA filing that does not include a new methodology or cost element immediately upon filing with the Commission, although the COPA filing is subject to subsequent review, adjustment, and approval by the Commission.

of kWh sold, using the same projected costs and sales in the COPA surcharge methodology.

GCE proposes an SFPPR of \$0.5293/kWh,<sup>11</sup> a decrease from the currently approved SFPPR of \$0.6443/kWh. Staff confirmed that the proposed SFPPR was calculated accurately, using GCE's approved methodology.

#### PCE Decrease

Proposed adjustments to PCE amounts are evaluated under 3 AAC 52.600-690. Each participating regulated electric utility is required to submit revised PCE amounts in conjunction with COPA surcharge adjustments.<sup>12</sup> The utility must provide information supporting the request for the PCE amount revision.<sup>13</sup> Adjustments will be made to the PCE amounts if the utility does not achieve the generation efficiency and/or line loss standards set out in 3 AAC 52.620.<sup>14</sup> If a utility fails to meet the generation efficiency standards (kWh/gallon), Staff will impute the number of gallons that should have been consumed. Because 3 AAC 52.610(f) provides no guidance on the method of imputing the number of gallons that should have been consumed, Staff uses the method prescribed for non-regulated utilities in 3 AAC 52.610(g)(1)(B). If a utility fails to meet the line loss standard of 12 percent, Staff will impute the number of kWh that should have been sold. The resulting imputed sales and/or generation is then used to calculate an adjusted balancing account balance, which is used in determining the total fuel power costs used in the calculation of the PCE amount.

Staff notes that GCE met the generation efficiency standard but failed to meet the regulatory line loss standard of 12% (see 3 AAC 52.620(b)) in July, August, and September 2022. GCE's monthly line loss in these respective months was 17.02%, 19.01%, and 17.88% respectively, and its annual line loss was 19.58%, 19.70%, and 19.68%. As a result, Staff increased the kWh sales for July, August, and September 2022 by 1,869 kWh, 2,506 kWh, and 2,123 kWh, respectively, to achieve the 12% line loss standard. The adjustment caused the balancing account balance to decrease from \$9,270.57 to \$2,413.93. GCE indicated that its configuration of 20 miles of line and just one transformer per customer may make reaching the 12% line loss unattainable, but said it will continue to investigate.<sup>15</sup>

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<sup>11</sup> See side by side Tariff Sheet No. 68, attached as Appendix 1.

<sup>12</sup> See 3 AAC 52.640(a)(1) which provides that a utility will request a change in its PCE with the approval of a tariff filing under 3 AAC 52.501 – 3 AAC 52.519, the regulations specific to COPA filings.

<sup>13</sup> See 3 AAC 52.640(d).

<sup>14</sup> See 3 AAC 52.620, *Generation Efficiency and Line Loss Standards*.

<sup>15</sup> See TA182-341, at page 3.

As shown on Tariff Sheet No. 62 filed with TA182-341, GCE proposes a PCE level of \$.6294/kWh,<sup>16</sup> which is a decrease from the currently approved PCE level of \$.7640/kWh.<sup>17</sup> Staff confirmed that the proposed PCE level was calculated accurately.

### Tariff Sheets

Staff reviewed Tariff Sheets Nos. 62, 67, and 68. Staff has verified the proposed surcharge and rates have been calculated accurately using GCE's approved methodology, the proper support was filed, and the tariff sheets are correct.

### Annual Operations Report

3 AAC 52.660(b) states that a regulated utility participating in the PCE program must file an annual operations report, as required under AS 42.05.451(b).<sup>18</sup> AS 42.05.451(b) states, in part, that a utility will file its annual operations report within 90 days of the close of its authorized annual accounting period.<sup>19</sup> 3 AAC 52.680(c) states that, if a participating electric utility fails to file its annual report when due, the PCE becomes interim and refundable on the date the annual report was due and that the Commission may recommend that further PCE disbursements to the utility be suspended until the annual report is filed.<sup>20</sup>

On October 20, 2020, the Commission issued Letter Order No. L2000382 approving tariff sheets filed with TA173-341 and requiring GCE to file its FY2018 and FY2019 AORs no later than November 30, 2020. On November 30, 2020, GCE requested to extend the submission of the FY2018 and FY2019 AORs until March 1, 2021. In its request, GCE indicated the owner had taken on additional commitments which had delayed work on the financial reporting of the AOR.<sup>21</sup>

The Commission granted GCE's request to file its FY2018 and FY2019 AORs by March 1, 2021. The Commission has not received these filings. Staff notes that with the issuance of Letter Order No. L2000382, the Commission has required GCE to file past AORs twice.<sup>22</sup> A third reminder letter was sent to GCE on February 8, 2021.<sup>23</sup> In this letter, GCE was reminded that its AOR was past due, how to locate AORs on the Commission website, and how to file AORs.<sup>24</sup> Staff contacted GCE on May 27, 2021. On June 4, 2021, the

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<sup>16</sup> See side by side Tariff Sheet No. 62, attached as Appendix 1.

<sup>17</sup> On June 22, 2021, in U-21-019(3), the Commission reduced the Power Cost Equalization amount to 0.00 cents per kilowatt-hour. On August 17, 2021, in U-21-019(5), the Commission vacated Order 3 and Order 4 and restored the PCE amount. The side by sides show GCE's PCE amount prior to U-21-019, was \$.3936 per kWh.

<sup>18</sup> See 3 AAC 52.660(b).

<sup>19</sup> See AS 42.05.451(b).

<sup>20</sup> See 3 AAC 52.680(c).

<sup>21</sup> See TR2006693, filed November 30, 2020.

<sup>22</sup> See Letter Order No. L1700277, issued June 30, 2017, and Letter Order No. L20000382, issued October 20, 2020.

<sup>23</sup> See TR2102087, issued February 18, 2021.

<sup>24</sup> AS 42.05.451(b) states "A public utility shall maintain its accounts on a calendar year basis unless specifically authorized by the commission to maintain its accounts on a fiscal year basis. Within 90 days after the close of its authorized annual accounting period or additional time granted upon a showing of good cause, a public utility shall file with the commission a verified annual report of its operations during the period reported on forms prescribed by the commission."

bookkeeper indicated in a response email that she was aware GCE is delinquent on its Annual Reporting; however, the owner of GCE does not have an estimate of when the owner will be able to focus on the Annual reports.<sup>25</sup> On June 3, 2022, the Commission issued Letter Order No. L2200188 approving tariff sheets filed with TA180-341 and reminding GCE that its AORs are past due. Staff notes that to date GCE has not filed its 2020 or 2021 AOR.

Staff notes that the Commission was not recommending suspension of utility's PCE disbursements, solely due to non-compliance with filing requirements, until after the COVID-19 health disaster no longer existed.<sup>26</sup> However, on September 15, 2022, the Commission issued a letter to the Alaska Energy Authority indicating that effective December 14, 2022, the Commission would resume recommending utilities for suspension of PCE disbursements, due to non-compliance of Commission filing requirements.<sup>27</sup>

To allow sufficient time to compile the AOR and comply with the Commission's statutes and regulations, Staff recommends the Commission require GCE to file its FY2021 AOR no later than March 31, 2023, and remind GCE that its FY2022 AOR is due March 31, 2023. In addition, Staff recommends the Commission should put GCE on notice that failure to file by the due date may result in suspension of PCE disbursements.

### Conclusion

With TA182-341, GCE requests approval of its updated COPA, PCE, and SFPPR for the period beginning October 1, 2022. Based on the discussion above, Staff recommends the Commission:

1. Approve Tariff Sheet Nos. 62, 67, and 68, filed November 15, 2022, by GCE with TA182-341. The effective date of the tariff sheets should be December 30, 2022.
2. Require GCE to file its Fiscal Year (FY) 2021 Annual Operations Report (AOR) by March 31, 2023.
3. Remind GCE that its FY2022 AOR is due March 31, 2023.
4. Notify GCE that failure to file its AOR may result in suspension of the utility's PCE disbursements.

**Signature:**   
Keith Kurber II (Dec 27, 2022 08:00 AKST)

**Email:** keith.kurber@alaska.gov

**Signature:** 

**Email:** bob.pickett@alaska.gov

**Signature:**   
Daniel Sullivan (Dec 27, 2022 11:28 AKST)

**Email:** daniel.sullivan@alaska.gov

**Signature:**   
Janis W. Wilson (Dec 27, 2022 11:33 AKST)

**Email:** janis.wilson@alaska.gov

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<sup>25</sup> See TR2103143, dated June 4, 2021.

<sup>26</sup> See General Correspondence to Curtis Thayer at the Alaska Energy Authority, issued April 16, 2020.

<sup>27</sup> See General Correspondence to Curtis Thayer at the Alaska Energy Authority, issued September 15, 2022.

RCANo. 341

55th

Canceling

54th

Sheet No. 62

Sheet No. 62

**RECEIVED****AUG 30 2022**STATE OF ALASKA  
REGULATORY COMMISSION OF ALASKA

Utility Name: Gold Country Energy

**V. POWER COST EQUALIZATION**

## Power Cost Equalization

The following conditions apply to Power Cost Equalization (PCE) eligibility.

1. Residential Customers are eligible for PCE for actual consumption of not more than 750 kilowatt-hours per month.
2. Customers that are classified as local community facilities are eligible for PCE, calculated in the aggregate for each community served by the Utility, for actual consumption of not more than 70 kilowatt-hours per month for each resident of the community. The number of community residents shall be determined under AS 29.60.020.
3. Customers not listed above are not eligible for PCE.

If appropriations are sufficient for payment in full, the amount of Power Cost Equalization to be credited to the bills of all eligible customers rendered on or after the effective date set forth below is as follows:

<u>Schedule</u>	<u>PCE Amount</u>	
ALL	\$0.7640 per kWh	I

TA181-341

Effective: October 14, 2022

Issued by: Gold Country EnergyBy: **Richard Symons Jr.**

Richard Symons Jr

Title: Owner

RCANo. 341

56th

Canceling

55th

Sheet No. 62

Sheet No. 62



Utility Name: Gold Country Energy

**V. POWER COST EQUALIZATION**

## Power Cost Equalization

The following conditions apply to Power Cost Equalization (PCE) eligibility.

1. Residential Customers are eligible for PCE for actual consumption of not more than 750 kilowatt-hours per month.
2. Customers that are classified as local community facilities are eligible for PCE, calculated in the aggregate for each community served by the Utility, for actual consumption of not more than 70 kilowatt-hours per month for each resident of the community. The number of community residents shall be determined under AS 29.60.020.
3. Customers not listed above are not eligible for PCE.

If appropriations are sufficient for payment in full, the amount of Power Cost Equalization to be credited to the bills of all eligible customers rendered on or after the effective date set forth below is as follows:

<u>Schedule</u>	<u>PCE Amount</u>	
ALL	\$0.6294 per kWh	R

TA182-341

Effective: December 30, 2022

Issued by: Gold Country EnergyBy: **Richard Symons Jr.**

Richard Symons Jr

Title: Owner



RCA No. 341 43rd Sheet No. 67  
Canceling  
42nd Sheet No. 67

**RECEIVED**  
**AUG 30 2022**  
STATE OF ALASKA  
 REGULATORY COMMISSION OF ALASKA

Utility Name: Gold Country Energy

1. Estimated costs for 3 months beginning 07/01/2022.

<u>Source</u>	<u>Estimated Quantity</u>	<u>Estimated Unit Cost</u>	<u>Total</u>
Diesel fuel	11,759	\$5.1516	\$ 60,577.66 I
Purchased Power			\$ 0.00
TOTAL			\$ 60,577.66 I

2. Balance in Cost of Power Balancing Account  
 as of 06/30/2022 \$ 9,270.57 I

3. TOTAL [1 + 2] \$ 69,848.23 I

4. Estimated retail sales for 3 months (kWh) 94,018kWh I

5. Projected cost of power [3/4] \$ 0.7429/kWh I

6. Base cost of power \$ 0.1387/kWh

7. Cost of power adjustment amount [5-6] \$ 0.6042kWh I

TA181-341 Effective: October 14, 2022

Issued by: Gold Country Energy

By: **Richard Symons Jr.** Title: Owner  
 Richard Symons Jr

RCA No. 341 44th Sheet No. 67  
Canceling  
43rd Sheet No. 67



Utility Name: Gold Country Energy

1. Estimated costs for 3 months beginning 10/01/2022.

<u>Source</u>	<u>Estimated Quantity</u>	<u>Estimated Unit Cost</u>	<u>Total</u>
Diesel fuel	9,673	\$4.3516	\$ 42,093.03 R
Purchased Power			\$ 0.00
TOTAL			\$ 42,093.03 R

2. Balance in Cost of Power Balancing Account  
 as of 09/30/2022 6,453.68 R

3. TOTAL [1 + 2] \$ 48,546.71 R

4. Estimated retail sales for 3 months (kWh) 79,525kWh R

5. Projected cost of power [3/4] \$ 0.6105/kWh R

6. Base cost of power \$ 0.1387/kWh

7. Cost of power adjustment amount [5-6] \$ 0.4718kWh R

TA182-341 Effective: December 30, 2022

Issued by: Gold Country Energy

By: **Richard Symons Jr.** Title: Owner  
 Richard Symons Jr

RCA No. 341    40th                      Sheet No.    68  
                     Canceling  
                     39th                      Sheet No.    68

**RECEIVED**  
**AUG 30 2022**  
STATE OF ALASKA  
 REGULATORY COMMISSION OF ALASKA

Utility Name: Gold Country Energy

**VII. SMALL FACILITY POWER PURCHASE RATE (SFPPR)**

The Small Facility Power Purchase Rate is the rate for GCE's purchase of energy from Qualifying Facilities with a Design Capacity of 100kWh or less. The update definition of Qualifying Facility by the Federal Energy Regulatory Commission is employed in RCA's new regulations at 3 AAC 50.820(11), as is the methodology of the calculation of the SFPPR. This calculation of SFPPR is consistent with that.

The SFPPR, expressed in cents-per-kilowatt-hour, is calculated as the sum of projected Fuel Costs, Variable Operations and Maintenance (O&M) Expenses, and the Energy Portion of Purchased Power Expense divided by the Number of Kilowatts Sold, using the same projected costs and sales in the COPA methodology.

A. Fuel Costs including Energy Portion of	
Purchased Power Expense (Line 1 of Tariff Sheet 67)	\$60,577.66    I
Variable O&M Expense	\$        0.00
Total Expense	\$60,577.66    I
 B. Estimated Kilowatts Sold (Line 4 of Tariff Sheet 67)	 94,018 kWh    I
 C. SFPPR Rate (Calculated as A/B)	 \$0.6443/kWh    I

TA181-341                                      Effective:    October 14, 2022

Issued by:            Gold Country Energy

By:            **Richard Symons Jr.**                      Title:    Owner  
                     Richard Symons Jr

RCA No. 341    41st                      Sheet No.    68  
                     Canceling  
                     40th                      Sheet No.    68



Utility Name: Gold Country Energy

**VII. SMALL FACILITY POWER PURCHASE RATE (SFPPR)**

The Small Facility Power Purchase Rate is the rate for GCE's purchase of energy from Qualifying Facilities with a Design Capacity of 100kWh or less. The update definition of Qualifying Facility by the Federal Energy Regulatory Commission is employed in RCA's new regulations at 3 AAC 50.820(11), as is the methodology of the calculation of the SFPPR. This calculation of SFPPR is consistent with that.

The SFPPR, expressed in cents-per-kilowatt-hour, is calculated as the sum of projected Fuel Costs, Variable Operations and Maintenance (O&M) Expenses, and the Energy Portion of Purchased Power Expense divided by the Number of Kilowatts Sold, using the same projected costs and sales in the COPA methodology.

A. Fuel Costs including Energy Portion of	
Purchased Power Expense (Line 1 of Tariff Sheet 67)	\$42,093.03    R
Variable O&M Expense	\$        0.00
Total Expense	\$42,093.03    R
 B. Estimated Kilowatts Sold (Line 4 of Tariff Sheet 67)	 79,525 kWh    R
 C. SFPPR Rate (Calculated as A/B)	 \$0.5293/kWh    R

TA182-341                                      Effective:    December 30, 2022

Issued by:            Gold Country Energy

By:            **Richard Symons Jr.**                      Title:    Owner  
                     Richard Symons Jr

**Gold Country Energy**  
**POWER COST EQUALIZATION**  
**TA176-341**

Calculation of Power Cost Equalization			
Line	Description	Prior Commission Determination (\$/kWh)	Updated Commission Determination (\$/kWh)
A	Non-Fuel Power Costs	0.2986	0.2986
B	Fuel Power Costs	0.7140	0.5597
C	Total Power Costs	1.0126	0.8583
D	Total Costs Less \$0.1958/kWh	0.8168	0.6625
E	95% of Total Power Costs	0.7760	0.6294
F	Statutory Maximum [(1-0.1958)*0.95]	0.7640	0.7640
G	Lesser of E or F	0.7640	0.6294
H	Customer Class Rate All	0.8893	0.7350
I	Power Cost Equalization - Lesser of G or H All	0.7640	0.6294
J	Power Cost Equalization - After Reduction All	100% 0.7640	100% 0.6294

Amendment to Allowable Costs		
Line	Description	Amount
1	NON-FUEL COSTS	
2	Allowable Non-Fuel Cost	\$ 110,342
3	Twelve Month Total kWh Sales	370,700
4	Regulatory Cost Charge	<u>\$ 0.000893</u>
5	Total Non-Fuel Power Costs	0.2986
6	FUEL COSTS	
7	Current Fuel Price	\$ 4.3516
8	Estimated Fuel Consumption (gallons)	9,673
9	Estimated kWh Sales (kWh)	79,525
10	Imputed Balancing Account Balance	<u>\$2,413.93</u>
11	Total Fuel Power Costs	0.5597
Surcharge Calculation		
Line	Description	Amount
1	Total Estimated Fuel Power Costs	42,093
2	Imputed Balancing Account Balance	<u>\$2,413.93</u>
3	Total	44,507
4	Estimated Retail Sales	<u>79,525</u>
5	Projected Cost of Power	0.5597
6	Base Cost of Power	<u>0.1387</u>
7	Surcharge	\$ 0.4210

Calculation of Average Customer Class Rate per kWh									
Line	kWh (by Block)	Rate (\$/kWh)	Customer Charge	Imputed COPA Surcharge (\$/kWh)	RCC (\$/kWh)	Total Rate (\$/kWh)	Total (\$)	Average Rate (\$/kWh)	Average Rate Less \$0.1958/kWh (\$/kWh)
1	All	0.5089	-	0.4210	0.000893	0.9308	465.40	0.9308	0.7350